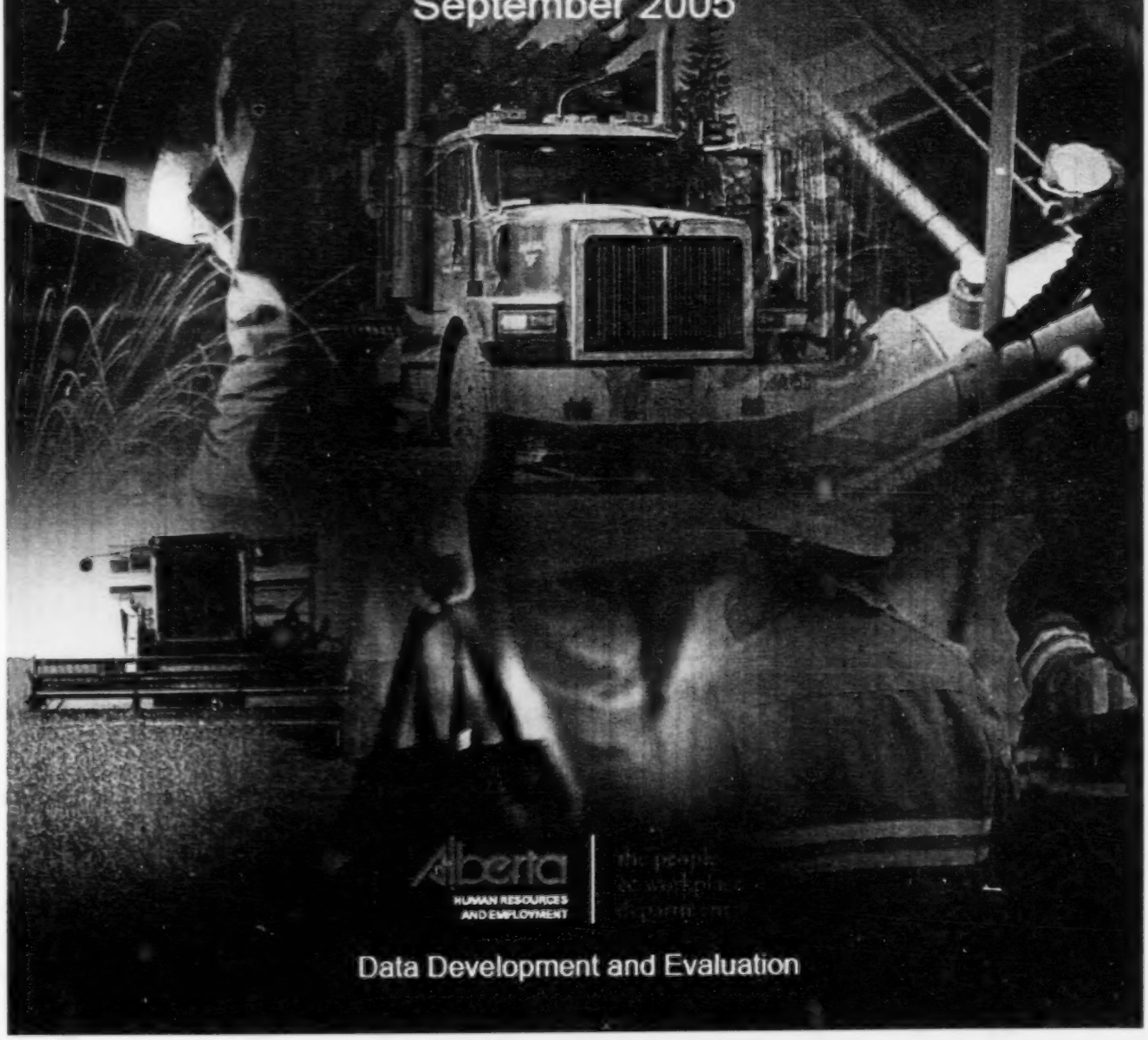
# Alberta Regional Occupation Outlook: 2005-2010

## Camrose - Drumheller Economic Region Summary Report

September 2005



Alberta
HUMAN RESOURCES AND EMPLOYMENT

Data Development and Evaluation

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# Alberta Regional Occupation Outlook: 2005-2010

Alberta Human Resources and Employment (AHRE) has continued to develop a regional occupation model that produces employment projections for 140 different occupations across Alberta and for the eight economic regions. This forecast is a useful tool for the Government of Alberta to help address related policy issues and to aid in developing responsive strategies.

The forecast summarizes expected employment by industry, occupation, and economic region. Industries are classified using the North American Industry Classification System (NAICS). Occupations are classified by the National Occupational Classification (NOC) system. For more information regarding these classification systems please visit the websites listed below.

This document provides a broad overview of the results of the forecast for the Camrose-Drumheller Economic Region. A complete listing of the employment projections is available for all eight economic regions (47 occupations) and for Alberta (140 occupations) on the AHRE website listed below.

- **NAICS** - http://www.statcan.ca/english/Subjects/Standard/naics/2002/naics02-index.htm
- **NOC** - http://www23.hrdc-drhc.gc.ca/2001/e/generic/welcome.shtml
- **AHRE Employment Projections** - http://www3.gov.ab.ca/hre/lmi/occforecast.asp

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## GDP is expected to grow by 2.2% annually

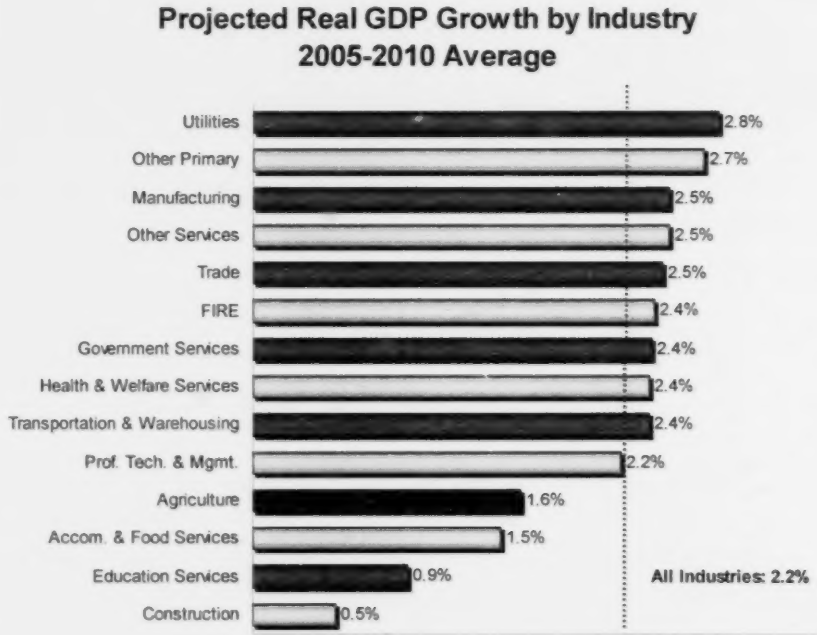
From 1994-2004, Alberta's economy was one of the fastest growing provincial economies in Canada. Gross Domestic Product (GDP) output in the province grew by an annual average of 3.8%. Employment in the province grew by more than 470,200 jobs over the past ten years. Over the forecast period of 2005-2010, GDP growth in Alberta is expected to average 3.3% annually. This is slightly higher than the expected average annual GDP growth of 3.2% for Canada.

The Camrose-Drumheller Economic Region currently contributes the fifth largest share of Alberta's GDP among the eight economic regions. Over the forecast period, GDP output in this region is expected to grow by 2.2% annually.

## The Utilities industry will show strong GDP growth

The Utilities industry will have the highest average GDP growth in the region. This is largely due to the small size of the industry in this region. A small increase in GDP output for the industry will create a high growth rate. The Utilities industry, one of the region's smallest, will show strong GDP growth, averaging 2.8% annually. The development of major wind-power stations in the area is largely responsible for the Utilities industry growth. Chart 1 shows the average GDP growth for all industries over the forecast period.

**Chart 1**




Source: Alberta Regional Occupation Outlook: 2005-2010

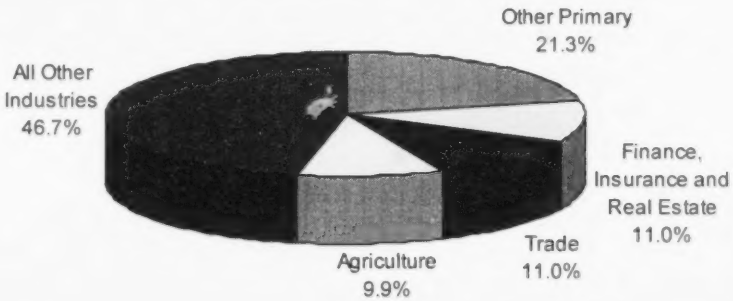
## Two industries will account for an average of 32.3% of total GDP

In the Camrose-Drumheller Economic Region, two industries will account for just under one third of total GDP output over the forecast period. The Other Primary industry will contirbute an average of 21.3% and the Finance, Insurance and Real Estate industry will contribute 11.0%.

Over half of the region's GDP comes from just four industries (see Chart 2). Together, the Other Primary industry, the Finance, Insurance and Real Estate industry, the Trade industry and the Agriculture industry account for 53.3% of the region's total GDP.

**Chart 2**

**Industry Shares of Total GDP, 2005-2010**




Source: Alberta Regional Occupation Outlook: 2005-2010

## Major investment projects in the region are valued at over $2 Billion

One of the most important factors to consider when estimating the future growth of a regional economy is the spending on major projects. The development of these projects creates jobs during planning, construction and upon completion. The list includes projects that are proposed, under construction or recently completed in the Camrose-Drumheller Economic Region. Only projects with a value of at least $2 Million are included. These projects have a significant effect on employment in the Construction industry and also create employment in many other industries such as Utilities and Other Primary.

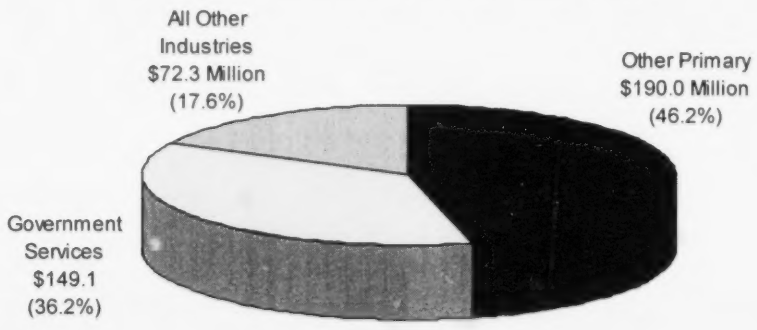


## The Other Primary industry will account for 46.2% of major project spending

The large majority of major project spending will occur in the Other Primary industry (see Chart 3). All of these projects are directly related to the development of oil and gas facilities. The region's largest project is EnCana Corporation's Coutness Gas Storage Facility near Hussar. This project alone accounts for almost three quarters of the total spending in the region with a value of $130 Million. Publicly funded projects (mainly schools and roads classified under Government Services) will account for over $149 Million in major project spending.

**Chart 3**

**Industry Shares of Major Project Spending**



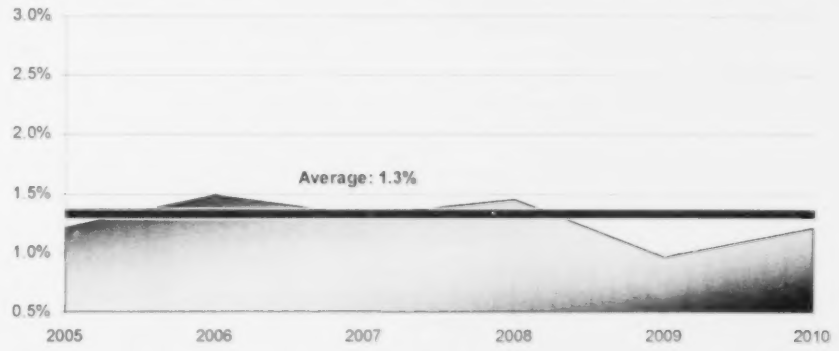

Source: Alberta Regional Occupation Outlook: 2005-2010

## Employment growth is expected to average 1.3% annually

Over the forecast period of 2005-2010, employment in the Camrose-Drumheller Economic Region is expected to climb from 99,600 in 2004 to 107,400 in 2010. This represents an average growth rate of 1.3% annually and the creation of over 7,800 new jobs. The region's unemployment rate is expected to climb from 2005-2010 due to the completion of major projects and will average 4.8% over the forecast period. The region's average annual employment growth is displayed in Chart 4. The decline in the annual employment growth rate is likely due to a lack of projects towards the end of the forecast period. New announcements of future projects could increase the projected growth.

**Chart 4**

**Average Annual Employment Growth (%), 2005-2010**




Source: Alberta Regional Occupation Outlook: 2005-2010

## Over 7,800 new jobs will be created in the Camrose-Drumheller Economic Region

The Camrose-Drumheller Economic Region will generate over 7,800 new jobs over the forecast period of 2005-2010. Employment will continue to be based largely on the Agriculture industry, which accounts for almost 20% of total employment. The region will account for approximately 3.4% of all new jobs in Alberta.

## The Trade industry will provide more new jobs than any other industry

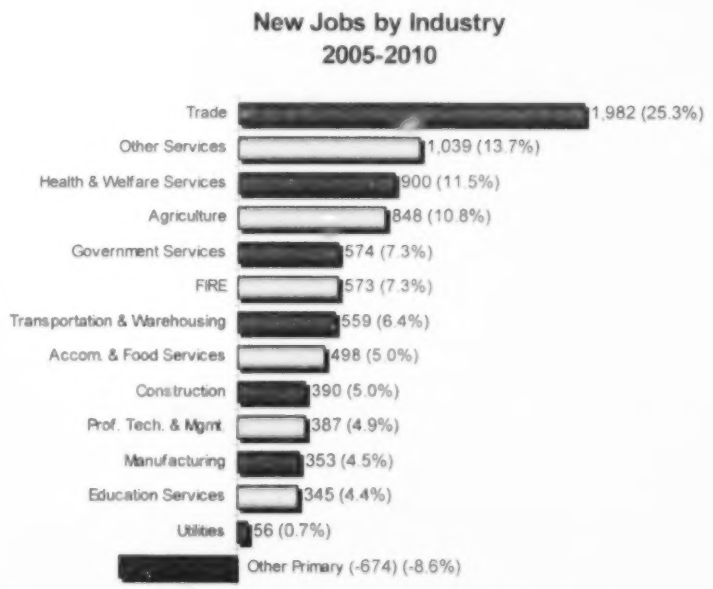
The employment outlook is broken out into fourteen different industries. The Trade industry is expected to generate over 1,900 new jobs over the forecast period, the most for any single industry (see Chart 5). Other industries generating a large number of new jobs include: Other Services (+1,030) Health and Welfare Services (+900), and Agriculture (+848). An aging population and high demand for retail trade are supporting this growth in employment.



## The Trade and Government Services industries will have the highest average growth rate

The region's Trade and Government Services industry is expected to attain an average employment growth rate of 2.6% annually. Other high growth industries include: Other Services (machinery repair, personal service, etc) (+2.2%) and Finance, Insurance and Real Estate (+2.1%).

**Chart 5**




Source: Alberta Regional Occupation Outlook: 2005-2010 *Share of total new jobs in brackets (%)

## The Contractors, Operators and Supervisors in Agriculture and Horticulture occupation is expected to create more new jobs than any other occupation

At the 140 occupational level, the Contractors, Operators and Supervisors in Agriculture and Horticulture occupation is expected to create over 574 new jobs from 2005 to 2010. This classification includes Farmers and Farm Managers, Nursery and Greenhouse Operators and Managers, and Supervisors, Landscape and Horticulture, see NOC website for a complete list. An ageing workforce in this occupation is a contributing factor to the high number of new jobs in this occupation. Other occupations expected to generate a significant number of new jobs include: Motor Vehicle and Transit Drivers (+370), and Retail Salesperson and Sales Clerk (+353). Please see Table 1 below.

## Food Counter Attendants, Kitchen Helpers and related are expected to have the highest average annual growth rate

Food Counter Attendants, Kitchen Helpers and related occupations are expected to have an average growth rate of 6.6% annually, the highest of any of the 140 occupations. The increasing population and high demand for food services are fuelling this high growth. Other occupations with high average growth rates include: Other Sales and related occupations (+6.2%), Secretaries, Recorders and Transcriptionists (+5.8%), and Train Crew Operating occupations (+5.3%). More than half of the ten fastest growing occupations (in terms of average growth rates) in the region are sales and service occupations.

**Table 1**

**New Jobs by Occupation,2 005-2010**

| NOC Occupations | New Jobs | Share of Total |
|---|---|---|
| Contractors, operators and supervisors in agriculture and horticult | 575 | 7.3% |
| Motor vehicle and transit drivers | 370 | 4.7% |
| Retail salespersons and sales clerks | 354 | 4.5% |
| Managers in retail trade | 329 | 4.2% |
| Cleaners | 258 | 3.3% |
| Other sales and related occupations | 251 | 3.2% |
| Agriculture and horticulture workers | 250 | 3.2% |
| Secretaries, recorders and transcriptionists | 207 | 2.6% |
| Clerical occupations, general office skills | 199 | 2.5% |
| Cashiers | 199 | 2.5% |

Source: Alberta Regional Occupation Outlook: 2005-2010